

Exhibit A

FILO Agent's Notice of Availability Reserve

**1903P Loan Agent, LLC
c/o Gordon Brothers Group LLC
800 Boylston Street, 27th Floor
Boston, MA 02119**

August 16, 2024

VIA OVERNIGHT COURIER SERVICE AND EMAIL

Jo-Ann Stores, LLC
5555 Darrow Road
Hudson, OH 44236
Attn: Jeffrey Dwyer, Interim CFO (jdwyer@alvarezandmarsal.com)

Bank of America, N.A.
100 Federal Street
Boston, MA 02110
Attn: Courtney Kolb (courtney.kolb@bofa.com)

Re: Notice of Availability Reserve

Ladies and Gentlemen:

Reference is hereby made to that certain Second Amended and Restated Credit Agreement, dated as of April 30, 2024 (the “Credit Agreement”) by and among Jo-Ann Stores, LLC (the “Company” or “you”), the other Loan Parties party thereto, the FILO Lenders and other Lenders party thereto, Bank of America, N.A., as Administrative Agent and Collateral Agent, and 1903P Loan Agent, LLC, as FILO Documentation Agent (the “FILO Documentation Agent”, “we” or “us”). All capitalized terms not otherwise defined herein shall have the same meaning as in the Credit Agreement.

As you know, the Company has continued to materially underperform relative to the business plan, including by missing sales and cash receipts forecasts on a weekly basis, failing to secure improved trade terms from vendors on the projected timeline, and suffering adverse conditions related to inventory levels and mix which have contributed to lagging sales. These conditions continue to adversely affect the value of the Collateral in the FILO Borrowing Base and threaten to impair the Collateral Agent’s ability to realize upon that Collateral.

As a result, the FILO Documentation Agent hereby notifies the Company and the Administrative Agent of the establishment of an Availability Reserve against the FILO Borrowing Base in the amount of \$10,000,000 (the “FILO Availability Reserve”). We will continue to monitor the Company’s weekly performance updates, and we reserve the right to

increase the amount of the FILO Availability Reserve from time to time in our Permitted Discretion.

In accordance with the terms of the Credit Agreement, the FILO Availability Reserve shall be established three (3) Business Days after receipt of this notice by the Company (or immediately, if an Event of Default has occurred and is continuing); provided that, prior to such time, Credit Extensions shall be subject to the Borrowing Base as if the FILO Availability Reserve were already established. The FILO Documentation Agent has consulted with the Administrative Agent prior to establishing the FILO Availability Reserve and is available to discuss the establishment of the FILO Availability Reserve with the Company.

Please note that, based on the current amounts of the FILO Loans and the FILO Borrowing Base, the FILO Availability Reserve will increase the FILO Deficiency Reserve to \$13,860,560. The Administrative Agent is hereby requested and directed to adjust the amounts of the FILO Deficiency Reserve and the Borrowing Base accordingly. To the extent necessary, this letter shall constitute a FILO Deficiency Reserve Correction Notice for purposes of Section 2.19 of the Credit Agreement.

Please also note that, pursuant to Section 2.9(a) of the Credit Agreement, if the aggregate principal amount of Revolving Credit Outstandings exceeds the Maximum Credit (as a result of such increased FILO Deficiency Reserve or otherwise), the Company shall immediately prepay the Swing Loans and Revolving Loans in an amount equal to such excess.

Nothing contained in, or omitted from, this letter shall constitute an amendment or waiver by the FILO Secured Parties of any provision of the Credit Agreement or any other Loan Documents, and all provisions of the Credit Agreement and the other Loan Documents shall remain in full force and effect. The delivery of this letter and the FILO Documentation Agent's or other FILO Secured Parties' failure to exercise, or delay in exercising, any right, remedy, power or privilege under the Credit Agreement and the other Loan Documents shall not operate as a waiver or amendment thereof or waive, affect or diminish any right of the FILO Documentation Agent and the other FILO Secured Parties thereafter to demand strict compliance and performance therewith.

[Signature Page Follows]

Sincerely,

1903P LOAN AGENT, LLC,
as FILO Documentation Agent

DocuSigned by:
By: 
Name: Kyle Shonak
Title: Senior Managing Director

cc: Morgan, Lewis & Bockius LLP (Attn: Marjorie S. Crider)
Latham & Watkins LLP (Attn: Mark Morris)